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LISTING STATEMENT NO. 2410.

LISTED NOVEMBER 11, 1969.
1,217,000 Shares without par value of which 50,000
Shares are subject to issuance.
Stock Symbol "LNF".
Post Section 10.
Dial Quotation No. 2320.

File

THE TORONTO STOCK EXCHANGE

LISTING STATEMENT

LEON'S FURNITURE LIMITED

Incorporated under the laws of the Province of Ontario
by Letters Patent dated February 28, 1969

SHARES WITHOUT PAR VALUE
(Transferable in Vancouver, Calgary, Toronto and Montreal)

CAPITALIZATION AS AT SEPTEMBER 30, 1969

Share Capital	AUTHORIZED	ISSUED AND OUTSTANDING	TO BE LISTED
Shares without par value	3,000,000	1,167,000	1,217,000*
* of which 50,000 are subject to issuance.			
Long-Term Debt			
9% mortgage maturing April 19, 1972	100,000	100,000	Nil
7% Note due May 1, 1973	35,000	35,000	Nil

October 28, 1969.

1. APPLICATION

LEON'S FURNITURE LIMITED (hereinafter called the "Company") hereby makes application for listing on The Toronto Stock Exchange of 1,217,000 shares without par value in the capital of the Company, of which 1,167,000 have been issued and are outstanding as fully paid and non-assessable. The remaining 50,000 shares included in this application have been reserved as follows:

Employees Incentive Stock Option Plan	40,000
Option to Nor-Mar Projects Limited at \$6.00 per share expiring June 23, 1975	10,000
	50,000

2. REFERENCE TO PROSPECTUS

Reference is hereby made to the prospectus (hereinafter called the "Prospectus") issued by the Company under date August 13, 1969, with respect to the offering of 250,000 shares without par value, a copy of which Prospectus is attached hereto and is incorporated in this application and made part hereof.

3. HISTORY AND NATURE OF BUSINESS

Reference is made to page 3 of the Prospectus under the heading "History and Business". The Company employs 314 persons.

4. INCORPORATION

The Company was incorporated as a private company by Letters Patent under the laws of the Province of Ontario on February 28, 1969, with the name Ablan Leon Distributors Limited. By Supplementary Letters Patent dated June 19, 1969, the Company's name was changed to its present name and it became a public company.

5. SHARES ISSUED DURING PAST TEN YEARS

<u>Date of Issue</u>	<u>No. of Shares Issued</u>	<u>Amount Realized Per Share</u>	<u>Total Amount Realized</u>	<u>Purpose of Issue</u>
February 28, 1969	5	\$1.00	\$5.00	Incorporators' shares.
June 23, 1969	2	\$1.00	\$2.00	Directors' qualifying shares.
June 23, 1969	916,993	Property in in amount of \$1.95	Property in in amount of \$1,794,514	As part consideration for acquisition of assets of Ablan Leon, Distributors, effective March 1, 1969.
September 4, 1967	250,000	\$5.115	\$1,278,750	Public Issue Reference is made to Prospectus.

6. STOCK PROVISIONS AND VOTING POWERS

Reference is made to page 7 of the Prospectus under the heading "Description of Shares".

7. DIVIDEND RECORD

The Company has not paid any dividend on its shares.

8. RECORD OF PROPERTIES

Reference is made to the Prospectus under the headings "Retail Facilities" on page 4, "Property and Equipment" on page 5, and "Plans for Future Stores" on page 6.

9. SUBSIDIARY COMPANIES

The Company has no subsidiary or controlled companies.

10. FUNDED DEBT

Reference is made to the Prospectus under the heading "Capitalization" on page 6.

11. OPTIONS, UNDERWRITINGS, ETC.

There are no outstanding options, underwritings, sale agreements, or other contracts or agreements of a like nature with respect to any unissued shares or any issued shares held for the benefit of the Company, save and except (i) the agreements referred to in the Prospectus under the heading "Shares held in Escrow and Shareholders' Agreement" on page 7, and (ii) the options referred to in the Prospectus under the heading "Stock Options" on page 7.

12. LISTING ON OTHER STOCK EXCHANGES

There are no securities of the Company listed on any other Stock Exchange.

13. STATUS UNDER SECURITIES ACTS

Reference is made to the offering of 250,000 shares without par value made by the Prospectus dated August 13, 1969. Official receipts were issued relevant to this offering in the various provincial jurisdictions as follows:

<u>Province</u>	<u>Date</u>
Ontario	August 13, 1969
Saskatchewan	August 14, 1969
Alberta	August 15, 1969
Manitoba	August 15, 1969
Nova Scotia	August 15, 1969
New Brunswick	August 18, 1969
British Columbia	September 3, 1969

14. FISCAL YEAR

The fiscal year of the Company ends December 31 in each year.

15. ANNUAL MEETING

The by-laws of the Company provide that the annual meeting of the shareholders of the Company shall be held at the head office of the Company or elsewhere in Ontario on such day in each year as the Board of Directors may by resolution determine. No annual meeting of shareholders of the Company has as yet been held.

These securities are offered by this prospectus only in jurisdictions where these securities may be lawfully offered.

New Issue



Leon's Furniture Limited

(Incorporated under the laws of Ontario)

250,000 shares

(without par value)

The 250,000 shares offered by this prospectus are being sold by the Company. There is no market for the shares of the Company, and the price for this offering was determined by negotiation between the Company and the Underwriter.

Price: \$5.50

	Price to Public	Underwriter's Discount	Proceeds to Company*
Per Share.	\$5.50	\$.385	\$5.115
Total.	\$1,375,000	\$96,250	\$1,278,750

*Before deducting expenses of issue, estimated to be \$50,000.

An application has been made to list the shares of the Company on The Toronto Stock Exchange. Acceptance of the listing will be subject to the filing of required documents and evidence of satisfactory distribution, both within 90 days.

We, as principals, offer these 250,000 shares if, as and when delivered to and accepted by us, subject to prior sale and subject to the right to reject any application in whole or in part and to withdraw this offer at any time without prior notice. It is expected that definitive share certificates will be available for delivery on or about September 4, 1969.

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The Company

Leon's Furniture Limited (the "Company") was incorporated as a private company by letters patent under the laws of the Province of Ontario on February 28, 1969 with the name Ablan Leon Distributors Limited. By supplementary letters patent dated June 19, 1969, the Company's name was changed to its present name and it became a public company. Its head and principal office is at 1 Gordon Mackay Road, Toronto, Ontario.

The Company sells furniture, appliances and other home furnishings at nineteen locations in the Province of Ontario. The Company's business is carried on under the trade names: Leon's Furniture, Leon's Furniture Market, Times Furniture, Times Furniture Interiors, New Era Furniture and New Era Appliances.

In addition, the Company sells merchandise to persons operating retail furniture and appliance stores located in Guelph, Picton and Welland, Ontario. These three associate stores are owned and operated by persons unrelated to the Company or to its directors.

History and Business

History

The business was started by Mr. Ablan Leon in 1909 as a dry goods store in Welland, Ontario. In 1943 a policy of expansion was adopted and Leon's commenced to merchandise home furnishings and to establish stores in communities outside of Welland. By 1963, the business was being carried on in seven locations in Ontario but outside Toronto. In 1963 and 1964 Leon's entered the Toronto area by acquiring the businesses being carried on under the names: Times Furniture, New Era Furniture and New Era Appliances. By the end of 1964, the business was being carried on in fourteen locations.

From January 1, 1963 up to and including April 30, 1964 the business was carried on as a partnership under the name Ablan Leon Distributors. The partners during this period were Midgemar Limited, Geormar Limited, Antomel Limited, Timmyal Limited and Jomila Limited, all Ontario companies controlled by members of the Leon family.

On May 1, 1964 the business was sold as a going concern to a newly formed limited partnership doing business under the same name, Ablan Leon Distributors. The partners of this limited partnership are and always have been Ablan Leon (1964) Limited, as general partner, The Lewie Leon Family Trust, The Anthony Leon Family Trust, The Edward Leon Family Trust, The Joseph M. Leon Family Trust, The George Leon Family Trust, The George Leon Trust and The Joseph M. Leon Trust, as limited partners. The foregoing trusts as a group are sometimes referred to in this prospectus as the "Leon Trusts".

Acquisition of the Business by the Company

Pursuant to an agreement effective March 1, 1969 made between the Company and the partners of Ablan Leon Distributors, the limited partnership, the Company acquired all of the operating assets and assumed all of the liabilities of the business carried on by Ablan Leon Distributors. The purchase price amounted to \$4,280,587 which was satisfied by the assumption by the Company of \$1,986,073 of liabilities, the issue by the Company of 916,993 shares without par value in the capital of the Company for \$1,794,514 and the issue by the Company of a demand note to Ablan Leon Distributors without interest for \$500,000. The purchase price was not based upon any independent valuation but represents the book value of the assets of the business at the close of business on February 28, 1969. The merchandise inventory of the business carried on by Ablan Leon Distributors was physically counted after the close of business on February 28, 1969 by employees of the Company and was valued at the lower of cost and net realizable value less normal profit margin.

The 916,993 shares without par value in the capital of the Company were issued to the Leon Trusts and Ablan Leon (1964) Limited as partners of Ablan Leon Distributors and such shares are now held by them as disclosed in part under the heading "Principal Holders of Securities" on page 8.

Retail Facilities

The Company currently operates nineteen retail stores located in eleven Ontario communities. These stores range in gross area from 6,000 to 98,000 square feet, with the total gross area being approximately 578,000 square feet. The following table sets forth certain information with respect to these stores:

<u>Location</u>	<u>Store Name</u>	<u>Date Opened or Acquired</u>	<u>Approximate Gross Space (Square Feet)</u>
St. Catharines (Hartzel Road)	Times Furniture	March 1954	15,000
St. Catharines (St. Paul's St.)	Leon's Furniture	January 1960	15,000
Oakville	Times Furniture	May 1961	28,000
Scarborough (Midland Avenue)	Times Furniture	March 1963	29,000
Weston (Arrow Road)	Times Furniture	March 1963	26,000
Toronto (Danforth Avenue)	New Era Appliances	March 1964	15,000
Toronto (Danforth Avenue)	New Era Furniture	April 1964	25,000
Weston (Gordon Mackay Road)	Leon's Furniture Market	April 1964	98,000
St. Thomas	Leon's Furniture	March 1965	25,000
Hamilton	Times Furniture	March 1965	25,000
Toronto (Yonge Street)	Times Furniture	October 1965	30,000
Windsor	Leon's Furniture Market	April 1967	27,000
Welland (i)	Leon's Furniture	September 1967	48,000
London	Leon's Furniture Market	November 1967	53,000
Scarborough (Lawrence Avenue)	Leon's Furniture Market	January 1968	31,000
Niagara Falls (ii)	Leon's Furniture	May 1968	8,000
Fort Erie (ii)	Leon's Furniture	September 1968	6,000
Kitchener	Leon's Furniture Market	December 1968	50,000
Willowdale (ii)	Times Furniture Interiors	May 1969	24,000
			<u>578,000 (iii)</u>

(i) The original store opened in 1909 and operated continuously until 1967.

(ii) Until acquired these were associate stores.

(iii) Of the 578,000 square feet of gross area 455,000 square feet are exclusively devoted to display.

All the retail stores are established as modern showrooms where customers may view the merchandise. The stores of less than 30,000 square feet are supplied from the Weston store warehouse. Customers can generally expect immediate delivery.

In 1968, in accordance with its continuing policy of expansion, Leon's opened new stores in Kitchener and Scarborough. From 1964 to 1969, the size of stores opened and acquired has varied. The current policy of the Company is to open stores with 50,000 square feet or more of showroom space.

The Company has agreed to lease two stores presently under construction in Toronto. These stores will be opened in 1969 and will be supplied with merchandise from the Weston store warehouse. The following table sets forth certain information with respect to these new stores:

<u>Location</u>	<u>Store Name</u>	<u>Proposed Opening Date</u>	<u>Approximate Gross Space (Square Feet)</u>
Weston (Arrow Road at Sheppard Avenue)	Times Furniture	August 1969	50,000
Toronto (Keele Street)	Leon's Furniture Market	September 1969	50,000

Merchandise and Merchandising

The Company's stores are operated under one of five different store names. Leon's Furniture stores emphasize medium priced goods, Leon's Furniture Markets offer a complete price range of merchandise and Times Furniture and Times Furniture Interiors stores emphasize medium to high priced goods. Two stores are operated by the Company in Toronto under the name New Era. One of these is principally a furniture store and the other is an appliance store.

The Company carries a wide variety of furniture and home furnishings manufactured by well known Canadian and United States manufacturers, including living room, bedroom, dining room, kitchen and occasional furniture, bedding, carpeting and accessories. All outlets carry a limited number of appliances to accommodate the customer seeking a full range of household goods.

The Company uses model room settings to display its furnishings and engages the services of a professional designer to carry out this program. The displays assist the customer in deciding on appropriate styles and colour combinations for the home. In the larger stores there are over fifty model room settings.

The Company's policy is to sell at prices generally lower than prices charged by other furniture stores.

The Company purchases merchandise in large quantities to facilitate rapid delivery to customers and to enable the Company to obtain quantity discounts from manufacturers.

The Company has a continuous advertising program featuring specially priced items utilizing full page advertisements in local newspapers. A head office advertising staff prepares these advertisements and co-ordinates distribution to the newspapers. In the year 1968, the Company spent over \$900,000 on advertising.

The Company has approximately 290 full time employees. Most of the key personnel have been with Leon's for over ten years.

Sources of Supply

Five buyers co-ordinate the purchase of a full range of merchandise from approximately 250 independent suppliers. Twenty-five of these suppliers account for approximately 60% of the Company's total merchandise purchases. The Company's relationship with its major suppliers is excellent and is of long standing.

Customer Financing

The Company sells retail merchandise for cash or under credit contracts. All credit contracts are sold to various financial institutions without recourse.

Property and Equipment

The Company's business is presently carried on exclusively in leased premises. The Company owns no buildings but at March 1, 1969 had an investment in tenant's leasehold improvements aggregating \$81,932. The following table sets forth certain information with respect to leases and agreements to lease in effect at August 1, 1969:

<u>Store Location</u>	<u>Lease Termination Date</u>
St. Catharines (Hartzel Road)(1)	February 28, 1979
St. Catharines (St. Paul's St.)	November 30, 1974
Oakville(4)	May 31, 1972
Scarborough (Midland Avenue)(2)	March 10, 1973
Weston (Arrow Road)(2)	March 10, 1973
Toronto (Danforth Avenue)(5)	January 31, 1972
Toronto (Danforth Avenue)(5)	January 31, 1972
Weston (Gordon Mackay Road)(1)	February 28, 1979

St. Thomas	30 days
Hamilton	March 14, 1975
Toronto (Yonge Street)	June 30, 1970
Windsor (2)	March 31, 1971 and March 31, 1977
Welland (1)	February 28, 1979
London (1)	February 28, 1979
Scarborough (Lawrence Avenue)	December 31, 1977
Niagara Falls	January 31, 1970
Fort Erie (3)	30 days
Kitchener (1)	February 28, 1979
Willowdale	April 30, 1984
Weston	
(Arrow Road at Sheppard Avenue)	July 14, 1994
Toronto (Keele Street) (2)	July 31, 1984

- (1) The London store is leased by the Company from Nalba Merchandising Limited and the four other stores are leased by the Company from Leon Holdings (1967) Limited. Both Nalba Merchandising Limited and Leon Holdings (1967) Limited are owned by the five companies named in the second paragraph under the heading "History" on page 3 and "Interest of Management and Others in Material Transactions" on page 10. The aggregate minimum annual rent payable by the Company under the leases is \$244,000 in respect of an aggregate of 264,000 square feet of leased space. Each lease is dated March 1, 1969 and provides that the Company, as lessee, shall pay all taxes, insurance premiums and repairs including structural repairs and maintenance. The officers of the Company estimate that the aggregate amount payable by the Company under the above leases in excess of the minimum rental for the twelve months to end on February 28, 1970 will be approximately \$92,000 in respect of taxes, insurance premiums, repairs and maintenance. The Company has two consecutive five-year renewal options at the same rent. The rent payable under each of these leases was established by the officers of the Company and the lessors on a basis lower than rentals currently being negotiated at arm's length for similar premises. None of these store leases provides for a rental based upon a percentage of sales.
- (2) Renewal options are available to the Company in respect of these premises for periods varying from five to ten years.
- (3) The Fort Erie store has been leased from Leon Holdings (1967) Limited and the lease will terminate on August 31, 1969 on which date the store will be closed.
- (4) The Company has paid rent since March 1, 1969 to Canam Construction and Enterprises Limited for the Oakville store premises which are occupied under a written lease dated May 25, 1962 and amendments thereto and such rent has been accepted, but to date no consent to the assignment of the lease to the Company has been received.
- (5) The Company's right to use the name "New Era" ceases at the expiry of the lease.

Under the leases and agreements to lease in effect at August 1, 1969 with a remaining term of more than one year from March 1, 1969 the aggregate minimum rent payable in the five years from March 1, 1969 will amount to: 1970—\$670,013; 1971—\$694,501; 1972—\$666,543; 1973—\$589,001; and 1974—\$510,401.

The Company presently owns fourteen furniture vans of which ten have been purchased within the last two years. In addition, it leases a Univac 1004 computer for data processing purposes.

Plans for Future Stores

Since March 1, 1969 the Company has acquired 7.17 acres in Windsor and 3.125 acres in Oakville for future development of retail stores. Of the aggregate purchase price of \$168,000, \$68,000 has been paid in cash by the Company and the balance is secured by a 9% mortgage to the vendor of the Windsor land payable as to \$15,000 principal amount semi-annually commencing November 15, 1969 plus interest. The Company's management is seeking further locations for new stores.

Capitalization

	Authorized	Outstanding as at March 1, 1969	Outstanding as at May 31, 1969	Outstanding upon completion of this financing
Demand Note (2)		\$500,000	\$500,000	
9% Mortgage payable \$15,000 semi-annually maturing April 19, 1972 (3)		—	\$100,000	\$100,000
7% Note due May 1, 1973		\$ 35,000	\$ 35,000	\$ 35,000
Shares without par value (1) (2) (4)	3,000,000	916,998 (\$1,794,519)	916,998 (\$1,794,519)	1,167,000 (\$3,073,271)

- (1) Five shares were issued on incorporation and two shares were issued in June, 1969 for \$1 each in cash.
- (2) 916,993 shares and the \$500,000 demand note were issued in accordance with an agreement effective as of March 1, 1969 (see "Acquisition of the Business by the Company" on page 3).
- (3) Reference is made to "Plans for Future Stores" on this page 6.
- (4) 50,000 shares are reserved for stock options (see "Stock Options" on page 7).
- (5) For details of the Company's lease commitments reference is made to Note 5 to the Balance Sheet on page 14 and to the description of the leases under "Property and Equipment" on pages 5 and 6.

Underwriting

Under an agreement with Burns Bros. and Denton Limited (the "Underwriter") dated August 13, 1969, the Company agreed to sell and the Underwriter, as principal, agreed to purchase all but not less than all of the 250,000 shares offered by this prospectus at a price of \$5.115 per share or a total of \$1,278,750 payable against delivery of certificates for such shares, subject to the terms and conditions set out in the said agreement and compliance with all necessary legal requirements.

Application of Proceeds

The net proceeds to be received by the Company from the sale of the 250,000 shares will amount to approximately \$1,228,750 after deduction of underwriting discount of \$96,250 and expenses of the issue estimated to be \$50,000. The net proceeds will be applied as follows:

- (1) \$500,000 will be applied to the retirement in full of the demand note owing to Ablan Leon Distributors which was given in payment as part of the purchase price payable by the Company for assets purchased by the Company from Ablan Leon Distributors as set out under the heading "Acquisition of the Business by the Company" on page 3.
- (2) \$124,542 will be applied to the retirement in full of the demand note owing to Lewie Leon Limited given in payment of the purchase price payable by the Company for the goodwill and net tangible assets of Times Furniture Interiors purchased by the Company from Lewie Leon Limited as set out in paragraph 3 on page 11 under the heading "Interest of Management and Others in Material Transactions",
- (3) \$68,000 will be applied to reimburse the Company for payments made in connection with the purchase of the lands in Windsor and Oakville, as referred to under the heading "Plans for Future Stores" on page 6, and
- (4) \$536,208 will be added to cash which will be available for operating funds and the development of the two new stores referred to on page 4.

Description of Shares

The shares without par value of the Company constitute the Company's only class of share capital. All shares rank equally as to dividends, voting rights (each share carrying one vote at all meetings of shareholders) and repayment on liquidation and distribution. All shares to be outstanding on the completion of this financing will be fully paid and non-assessable shares. The holders of the shares do not have pre-emptive or conversion rights.

Shares held in Escrow and Shareholders' Agreement

Of the 1,167,000 shares of the Company to be outstanding upon completion of the present financing, 916,993 shares are subject to an escrow agreement dated August 13, 1969 between Ablan Leon (1964) Limited, The Lewie Leon Family Trust, The George Leon Family Trust, The Anthony Leon Family Trust, The Edward Leon Family Trust, The Joseph M. Leon Family Trust, The George Leon Trust and The Joseph M. Leon Trust, National Trust Company Limited, as escrow agent, Burns Bros. and Denton Limited and the Company, which provides that such shares may be released from escrow or transferred on the books of the Company after August 12, 1970. The only outstanding shares in the capital of the Company which are not subject to the escrow agreement are the 250,000 shares offered by this prospectus and the seven directors' qualifying shares.

By agreement dated June 14, 1969 made between the then shareholders of the Company, the shareholders agreed not to sell, assign, transfer, pledge or otherwise alienate any shares beneficially owned by them without first offering such shares for sale to the other parties to the agreement. In addition the parties agreed to vote or cause to be voted the shares beneficially owned by them in such a manner as to elect members of the Leon family as five of the directors of the Company.

Stock Options

The Company has reserved 50,000 shares for stock options as follows:

1. On June 23, 1969 an option was granted to Nor-Mar Projects Limited by the Company to purchase at any time before June 23, 1975 up to 10,000 unissued shares of the Company at

\$6 per share on the same terms as the Company's stock option plan discussed below. Nor-Mar Projects Limited is a company which has since September 1, 1963 provided managerial and purchasing services to the business now carried on by the Company and will continue to provide such services on a monthly basis.

2. On June 23, 1969 the board of directors of the Company adopted and the shareholders approved an incentive stock option plan pursuant to which non-assignable options to purchase 40,000 shares in the capital of the Company may be granted by the board of directors of the Company to any officer or key employee of the Company or of any subsidiary of the Company or of any parent of the Company (but not to directors of the Company, of a subsidiary of the Company or of a parent of the Company who are not full-time employees of any such Company). No options may be granted under the plan after June 22, 1979. The price at which options may be granted is \$6 per share up to December 31, 1969 and thereafter at a price equal to 90% of the market value of such shares at the time the option is granted. The options will be exercisable on a cumulative basis as to 20% thereof during each twelve-month period following the first anniversary of the date of grant thereof and will expire on the sixth anniversary of the date of grant thereof. In the event of the death of the optionee when employed by the Company or a subsidiary or a parent of the Company the legal personal representative of the deceased has certain limited rights to exercise any outstanding option. In the event that an optionee ceases to be employed by the Company or a subsidiary or a parent of the Company (otherwise than upon death) during a period that the option is exercisable the option may be exercised by the optionee prior to the end of the period of three months following the date of his ceasing to be employed and then only in respect of those shares to which he was entitled to exercise his option on the date of his ceasing to be so employed. In the event of subdivision, redivision, consolidation or change of shares of the Company, the number of shares in respect of which an option may be exercised and the price to be paid upon the exercise thereof is to be adjusted accordingly. Under this plan on June 23, 1969 an option for 10,000 shares at \$6 per share was granted to an officer of the Company which, in accordance with the terms of the plan, expires in June, 1975.

Prior Sales of Shares

Since incorporation of the Company, one qualifying share was issued to each of the seven directors of the Company at \$1 per share and, as a result of the acquisition by the Company of the business of Ablan Leon Distributors, 916,993 shares were issued as set out under the heading "Acquisition of the Business by the Company" on page 3 and under the heading "Interest of Management and Others in Material Transactions" on page 10.

Net Assets Per Share

According to the balance sheet of the Company as at March 1, 1969 the net assets per share amounted to \$1.95 and the net assets per share according to the pro forma balance sheet as at March 1, 1969 amounted to \$2.63, all as set out on page 13.

Dividend Policy

The Company was incorporated on February 28, 1969 and no dividends have been paid on its outstanding shares. Future payment of dividends will be at the discretion of the board of directors.

Principal Holders of Securities

As of June 26, 1969 the following are the names of all the persons who owned of record, or to the knowledge of the Company beneficially, directly or indirectly, more than 10% of the shares of the Company.

<u>Name and Address</u>	<u>Designation of Class</u>	<u>Type of Ownership</u>	<u>No. of Shares Owned</u>	<u>Percentage of Class</u>
The Lewie Leon Family Trust 65 State Street, Welland, Ontario	Shares without par value	Beneficially and of Record	166,195	18.12%

The Anthony Leon Family Trust 65 State Street, Welland, Ontario	Shares without par value	Beneficially and of Record	169,784	18.52%
The Edward Leon Family Trust 65 State Street, Welland, Ontario	Shares without par value	Beneficially and of Record	170,053	18.54%
The George Leon Family Trust 65 State Street, Welland, Ontario	Shares without par value	Beneficially and of Record	143,767	15.68%
The Joseph M. Leon Family Trust 65 State Street, Welland Ontario	Shares without par value	Beneficially and of Record	144,754	15.79%

At all times from the date of incorporation to the date of this prospectus, the directors and senior officers of the Company, the Leon Trusts and Ablan Leon (1964) Limited as a group, owned beneficially, directly or indirectly, 100% of the issued and outstanding shares of the Company.

Directors and Officers

The names and home addresses in full of the directors and officers of the Company, the positions or offices in the Company held by each, and the principal occupation of each during the past five years are as follows:

<u>Name and Address</u>	<u>Position</u>	<u>Principal Occupation</u>
LEWIE LEON 16 Carousel Court, Toronto, Ontario	Director and President . . .	President and Chief Executive Officer of Company
THOMAS ANTHONY LEON 33 Old English Lane, Thornhill, Ontario	Director and Vice-President	Vice-President of Company
EDWARD MICHAEL LEON 27 Thornlea Road, Thornhill, Ontario	Director	Merchandise Manager of Company
GEORGE LEON 55 Northcote Avenue, Welland, Ontario	Director	Retired
JOSEPH MICHAEL LEON 70 Parkway Drive, Welland, Ontario	Director	Doctor of Medicine
MARJORIE LEON 16 Carousel Court, Toronto, Ontario	Secretary-Treasurer	Secretary-Treasurer of Company
THOMAS JOSEPH ORMESHER 44 Laurelleaf Road, Thornhill, Ontario	Director	Investment dealer and Director, Burns Bros. and Denton Limited
RICHARD ELIAS SHIBLEY 277 Oriole Parkway, Toronto, Ontario	Director	Barrister, Partner in Shibley, Righton & McCutcheon

Lewie Leon, President, has been Manager of Stores for the Company and the predecessor businesses for the past five years.

Thomas Anthony Leon, a director and Vice-President, has been the President of Ablan Leon (1964) Limited for the past five years.

Edward Michael Leon, a director, has been the Merchandise Manager and a buyer for the Company and the predecessor businesses for the past five years.

Marjorie Leon, Secretary-Treasurer, has been the Assistant Secretary of Ablan Leon (1964) Limited for the past five years.

Thomas Joseph Ormesher, a director, has been a director of Burns Bros. and Denton Limited for the past two years and prior to that time was an employee of that company.

Remuneration of Directors and Senior Officers

No remuneration has been paid by the Company to its directors as such. The aggregate direct remuneration paid and payable by the Company to the senior officers of the Company from its incorporation to May 31, 1969 was \$48,100. For the ten months ended February 28, 1969 the aggregate direct remuneration paid by Ablan Leon Distributors for management services and salaries in respect of the senior officers included above amounted to \$136,600.

Interest of Management and Others in Material Transactions

There have been no material transactions during the preceding three years in which any director, senior officer or shareholder of the Company has had an interest except as follows:

1. Pursuant to an agreement (the "Purchase Agreement") made as of February 28, 1969 between the Company and Ablan Leon Distributors, the limited partnership, Ablan Leon Distributors sold its business and assets (except those assets specifically excluded in the Purchase Agreement) effective March 1, 1969 to the Company for the book value thereof at that date of \$4,280,587. The purchase price was satisfied by the assumption by the Company of all the liabilities of the business carried on by the limited partnership as at March 1, 1969, the issue by the Company to the limited partnership of a demand note without interest in principal amount of \$500,000 and the allotment and issue by the Company of 916,993 fully paid and non-assessable shares without par value in the capital of the Company. The said demand note is to be repaid out of the proceeds of the shares being offered hereunder: see "Acquisition of the Business by the Company" on page 3 and "Application of Proceeds" on page 7.

The limited partnership consists of Ablan Leon (1964) Limited, the sole general partner, and The Lewie Leon Family Trust, The Anthony Leon Family Trust, The Edward Leon Family Trust, The Joseph M. Leon Family Trust, The George Leon Family Trust, The George Leon Trust and The Joseph M. Leon Trust, as limited partners.

Since the incorporation of Ablan Leon (1964) Limited under the laws of Ontario all of its shares outstanding from time to time have been owned as to 20% by each of Midgemar Limited, Geormar Limited, Antomel Limited, Timmyal Limited and Jomila Limited, all companies incorporated under the laws of Ontario.

Since the incorporation of Midgemar Limited all of its shares outstanding from time to time have been beneficially owned by Lewie Leon.

Since the incorporation of Geormar Limited all of its shares outstanding from time to time have been beneficially owned by George Leon.

Since the incorporation of Antomel Limited all of its shares outstanding from time to time have been beneficially owned as to 75% by Thomas Anthony Leon and as to 25% by Ellen Leon, the wife of Thomas Anthony Leon.

Since the incorporation of Timmyal Limited all of its shares outstanding from time to time have been beneficially owned by Edward Leon.

Since the incorporation of Jomila Limited all of its shares outstanding from time to time have been beneficially owned by Joseph M. Leon.

The Lewie Leon Family Trust is a trust constituted for the benefit of the wife and issue of Lewie Leon.

The Anthony Leon Family Trust is a trust constituted for the benefit of the wife and issue of Thomas Anthony Leon.

The Edward Leon Family Trust is a trust constituted for the benefit of the wife and issue of Edward Leon.

The Joseph M. Leon Family Trust is a trust constituted for the benefit of the wife and issue of Joseph M. Leon.

The George Leon Family Trust is a trust constituted for the benefit of the wife and issue of George Leon.

The Joseph M. Leon Trust is a trust constituted for the benefit of the wife and issue of Joseph M. Leon.

The George Leon Trust is a trust constituted for the benefit of the wife and issue of George Leon.

2. Six retail stores are leased by the Company from Leon Holdings (1967) Limited and Nalba Merchandising Limited (reference is made to notes (1) and (3) under the heading "Property and Equipment" on page 6).

Leon Holdings (1967) Limited is a continuing company subsisting under the laws of Ontario by letters patent of amalgamation dated December 1, 1967 confirming the amalgamation agreement made between Ablan Leon Limited, Lorman Investments Limited and Leon Holdings Limited. All of its shares outstanding from time to time have been beneficially owned as to 20% by each of Midgemar Limited, Geormar Limited, Antomel Limited, Timmyal Limited and Jomila Limited.

Since the incorporation of Nalba Merchandising Limited under the laws of Ontario all of its shares outstanding from time to time have been beneficially owned as to 20% by each of Midgemar Limited, Geormar Limited, Antomel Limited, Timmyal Limited and Jomila Limited.

3. By an agreement dated May 1, 1969, Lewie Leon Limited purchased the fifty per cent interest of Hafurn Sales Limited in the business previously carried on by Lewie Leon Limited and Hafurn Sales Limited in partnership under the name Times Furniture Interiors for a purchase price of \$62,271 which price was paid in cash. By agreement dated June 19, 1969 and effective May 1, 1969 the Company purchased from Lewie Leon Limited the business previously carried on under the name Times Furniture Interiors for a purchase price of \$124,542. The purchase price was satisfied by the issue by the Company to Lewie Leon Limited of a demand note without interest in the principal amount of \$124,542. The said demand note is to be paid out of the proceeds of the shares being offered hereunder: see "Application of Proceeds" on page 7.

4. By an agreement made as of March 1, 1969 between the Company and Lewie Leon, the Company agreed to employ Lewie Leon until December 31, 1970 unless terminated on six months notice in writing, at a salary to be mutually agreed upon between the Company and Lewie Leon. Similar agreements have been entered into between the Company and Thomas Anthony Leon, Edward Leon and Marjorie Leon.

By an agreement dated June 19, 1969 between the Company and Lewie Leon, Thomas Anthony Leon, Edward Leon and Marjorie Leon, these individuals agreed with the Company and one another that the aggregate amount of the remuneration to be paid to them pursuant to the agreements referred to in the paragraph above would not exceed \$178,000 per annum.

5. By agreement dated June 26, 1969, the Company acquired an option to purchase all outstanding shares of Tedmar Limited, an investment holding company, from Midgemar Limited, Geormar Limited, Antomel Limited, Timmyal Limited and Jomila Limited. The option is exercisable at any time up to and including June 26, 1970 and is subject to the prior approval of shareholders of the Company. The price payable upon the exercise of the option is \$56,621.

6. Thomas Ormesher is a shareholder and director of Burns Bros. and Denton Limited, Toronto-Dominion Centre, Toronto, Ontario and as such has an interest in the underwriting agreement with Burns Bros. and Denton Limited referred to under the heading "Underwriting" on page 7.

7. Richard Elias Shibley is a partner in Shibley, Righton & McCutcheon which firm is passing on all legal matters on behalf of the Company in connection with the issue of the shares offered by this prospectus.

Material Contracts

The Company has assumed the contractual obligations entered into by Ablan Leon Distributors in the ordinary course of its business. In addition to the aforesaid contractual obligations and other contracts entered into by the Company in the ordinary course of its business, the Company has entered into the following material contracts since its incorporation on February 28, 1969:

1. The underwriting agreement referred to under the heading "Underwriting" on page 7.
2. The Purchase Agreement referred to under the headings "Acquisition of the Business by the Company" on page 3 and "Interest of Management and Others in Material Transactions" on page 10.
3. The six leases of property from Leon Holdings (1967) Limited and Nalba Merchandising Limited referred to in notes (1) and (3) under the headings "Property and Equipment" on page 6 and "Interest of Management and Others in Material Transaction" on page 10.
4. The Company's stock options referred to under the heading "Stock Options" on page 7.
5. By agreement effective May 1, 1969 the Company purchased from Lewie Leon Limited the business previously carried on in partnership by Lewie Leon Limited and Hafurn Sales Limited under the name of Times Furniture Interiors. This agreement is referred to under the heading "Interest of Management and Others in Material Transactions" on page 10.
6. The employment contracts referred to in paragraph 4 on page 11 under the heading "Interest of Management and Others in Material Transactions".
7. The option agreement referred to in paragraph 5 on page 11 under the heading "Interest of Management and Others in Material Transactions".

Copies of the material contracts listed above may be inspected during ordinary business hours at the head office of the Company, Gordon Mackay Road, Weston, Ontario, during the course of primary distribution to the public of the securities offered by this prospectus and for a period of thirty days thereafter.

Sponsors

Under the definition set forth in Clause 18 of subsection (1) of Section 1 of The Securities Act, 1966 (Ontario), Lewie Leon, Thomas Anthony Leon, Edward Leon, the Leon Trusts and Ablan Leon (1964) Limited may be considered to be promoters of the Company. Reference is made to "Acquisition of the Business by the Company" on page 3, "Interest of Management and Others in Material Transactions" on page 10 and "Principal Holders of Securities" on page 8.

Auditors, Transfer Agent and Registrar

Clarkson, Gordon & Co., Chartered Accountants, 15 Wellington Street West, Toronto, Ontario are auditors of the Company and Wright, Erickson, Lee & Macdonald, Chartered Accountants, 346 Main Street East, Hamilton, Ontario are auditors of Ablan Leon Distributors.

National Trust Company, Limited is the registrar and transfer agent of the shares of the Company at its offices in Vancouver, Calgary, Winnipeg, Toronto and Montreal.

Legal Opinions

Legal matters in connection with the issue of the shares will be passed upon by Shibley, Righton & McCutcheon, Toronto, on behalf of the Company and by McCarthy & McCarthy, Toronto, on behalf of the Underwriter.

Leon's Furniture Limited (Note 1)
(Incorporated under the laws of Ontario)

**Balance Sheet and Pro Forma Balance Sheet
as at
March 1, 1969**

Assets

	<u>Balance Sheet</u>	<u>Pro Forma Balance Sheet (Note 3)</u>
CURRENT:		
Cash.....	\$ 192,204	\$ 736,020
Deposit receipts.....	550,000	550,000
Accounts receivable.....	402,565	414,914
Advances to wholesale customers.....	70,238	70,238
Inventory at the lower of cost and net realizable value less normal profit margin.....	2,800,842	2,915,691
Prepaid expenses.....	13,605	23,852
Marketable securities at cost (market value \$6,400)	8,600	8,600
	<u>4,038,054</u>	<u>4,719,315</u>
FIXED:		
Leasehold improvements, signs, motor vehicles, office and store equipment, at cost.....	230,538	235,069
Land at cost.....	—	168,000
OTHER:		
Loan receivable without interest.....	12,000	12,000
Incorporation expenses.....	3,425	3,425
Goodwill at cost.....	—	48,000
Financing costs.....	—	50,000
	<u>\$4,284,017</u>	<u>\$5,235,809</u>

Liabilities

CURRENT:		
Accounts payable and accrued liabilities.....	\$1,550,380	\$1,608,009
Customers' deposits.....	404,118	419,529
Demand note payable to predecessor partnership without interest (Note 2).....	500,000	—
Current portion of 9% mortgage on land.....	—	30,000
	<u>2,454,498</u>	<u>2,057,538</u>
LONG TERM:		
7% Note due May 1, 1973.....	35,000	35,000
9% Mortgage on land, \$15,000 payable semi-annually maturing April 19, 1972, less current portion.....	—	70,000
	<u>35,000</u>	<u>105,000</u>
	<u>2,489,498</u>	<u>2,162,538</u>

Shareholders' Equity

CAPITAL STOCK:		
Authorized:		
3,000,000 shares without par value		
Issued (Notes 1, 2, 3 and 4):		
Balance sheet—916,998 shares.....	1,794,519	
Pro forma balance sheet—1,167,000 shares.....		3,073,271
	<u>\$4,284,017</u>	<u>\$5,235,809</u>

On behalf of the Board:

(Signed) E. LEON, Director

(Signed) LEWIE LEON, Director

Notes to Balance Sheet and Pro Forma Balance Sheet
as at
March 1, 1969

1. Leon's Furniture Limited was incorporated February 28, 1969 as Ablan Leon Distributors Limited and changed its name by supplementary letters patent dated June 19, 1969. Five shares were issued on incorporation and two were issued in June 1969 for \$1 each in cash.
2. As of March 1, 1969, the Company purchased the operating assets of Ablan Leon Distributors, a limited partnership, for their aggregate book value of \$4,280,587 in the accounts of the partnership.

Consideration for this purchase was as follows:

Assumption of partnership liabilities	\$1,986,073
Demand note without interest	500,000
916,993 shares of the Company	1,794,514
	<u>\$4,280,587</u>

The balance sheet reflects the financial position of the Company after this purchase.

3. The pro forma balance sheet gives effect as at March 1, 1969 to:
 - (a) The issue and sale of 250,000 shares without par value for an aggregate consideration of \$1,278,750 pursuant to an underwriting agreement dated August 13, 1969 and two shares for \$1 each in cash.
 - (b) The payment of estimated financing costs of \$50,000.
 - (c) The purchase in April, 1969 of two parcels of land for \$168,000; with \$68,000 paid in cash and the balance of \$100,000 owing on one parcel of land being secured by a 9% mortgage payable to the vendor of this land.
 - (d) The purchase in June, 1969 of the net tangible assets and goodwill of Times Furniture Interiors (including cash of \$7,606) by the issue to the vendor of a demand note without interest of \$124,542 and its retirement out of the proceeds of the issue of the shares.
 - (e) The retirement of the demand note payable to the predecessor partnership of \$500,000.
 - (f) The increase of the Company's cash by \$543,816.
4. The Company has reserved 50,000 shares for stock options as follows:
 - (a) On June 23, 1969 an option was granted by the Company providing for the purchase of 10,000 shares of the Company at \$6 per share on the same terms as the Company's stock option plan referred to below.
 - (b) On June 23, 1969 the Company adopted a stock option plan pursuant to which non-assignable options to purchase 40,000 shares in the capital of the Company may be granted to any officer or employee (but not to directors who are not full time employees). No options may be granted under the plan after June 22, 1979. The price at which options may be granted is \$6 per share to December 31, 1969 and thereafter at a price equal to 90% of the market value of such shares at the time the option is granted. The options will be exercisable on a cumulative basis as to 20% thereof during each twelve-month period following the first anniversary of the date of grant thereof and will expire on the sixth anniversary of the date of grant thereof. On June 23, 1969 an option for 10,000 shares at \$6 per share was granted under this plan to an officer of the Company.
5. The Company is obligated under real property leases and agreements to lease in effect at August 1, 1969 with a remaining term of more than one year from March 1, 1969, expiring at varying dates to 1994 and in respect of certain of which there are renewal options. Minimum annual rentals under these lease obligations for the five years from March 1, 1969 are: 1970—\$670,013; 1971—\$694,501; 1972—\$666,543; 1973—\$589,001; 1974—\$510,401. Annual rental income from subleases to others will be approximately, 1970—\$22,200 and 1971—\$12,200.

Auditors' Report

To the Directors of
LEON'S FURNITURE LIMITED:

We have examined the balance sheet and pro forma balance sheet of Leon's Furniture Limited as at March 1, 1969. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion:

- (a) the accompanying balance sheet presents fairly the financial position of the Company as at March 1, 1969; and
 - (b) the accompanying pro forma balance sheet presents fairly the financial position of the Company as at March 1, 1969 after giving effect to the proposed transactions described in Note 3;
- all in accordance with generally accepted accounting principles.

Hamilton, Ontario
August 13, 1969

(Signed) WRIGHT, ERICKSON, LEE & MACDONALD
CHARTERED ACCOUNTANTS

Toronto, Ontario
August 13, 1969

(Signed) CLARKSON, GORDON & Co.
CHARTERED ACCOUNTANTS

Ablan Leon Distributors
(A Limited Partnership)

**Statement of Income
and
Pro Forma Statement of Income**

Statement of Income:

	For the years ended April 30				For the ten months ended February 28	
	1965	1966	1967	1968	1968 (Unaudited)	1969
Sales.....	\$9,707,699	\$11,166,439	\$11,600,199	\$13,399,984	\$11,128,499	\$12,905,752
Gross profit.....	<u>2,772,534</u>	<u>3,377,665</u>	<u>3,678,718</u>	<u>4,207,026</u>	<u>3,494,403</u>	<u>4,065,659</u>
Net income from operations before the undernoted items.....	1,242,353	1,574,129	1,541,855	1,771,099	1,499,183	1,521,541
Rent.....	337,587	363,433	392,252	428,633	348,956	470,259
Management remuneration (Note 1) ..	143,500	268,200	271,500	281,050	240,196	102,100
Depreciation.....	12,815	15,271	35,119	39,603	33,002	46,209
Interest on long term debt.....	—	—	—	—	—	2,742
	<u>493,902</u>	<u>646,904</u>	<u>698,871</u>	<u>749,286</u>	<u>622,154</u>	<u>621,310</u>
Net income from operations.....	<u>748,451</u>	<u>927,225</u>	<u>842,984</u>	<u>1,021,813</u>	<u>877,029</u>	<u>900,231</u>
Add income from investments.....	3,658	43,870	36,263	27,334	22,778	29,768
Deduct interest on partners' capital..	—	(15,384)	(40,096)	(48,384)	(40,320)	(52,138)
Net income, before income taxes.....	<u>\$752,109</u>	<u>\$955,711</u>	<u>\$839,151</u>	<u>\$1,000,763</u>	<u>\$859,487</u>	<u>\$877,861</u>

Pro Forma Statement of Income (Notes 1 and 2):

	For the years ended April 30				For the ten months ended February 28	
	1965	1966	1967	1968	1968 (Unaudited)	1969
Net income from operations, before pro forma income taxes.....	\$748,451	\$927,225	\$842,984	\$1,021,813	\$877,029	\$900,231
Pro forma income taxes.....	382,000	471,000	429,000	526,000	448,000	470,500
Pro forma net income.....	<u>\$366,451</u>	<u>\$456,225</u>	<u>\$413,984</u>	<u>\$ 495,813</u>	<u>\$429,029</u>	<u>\$429,731</u>

Ablan Leon Distributors

Notes to Statement of Income and Pro Forma Statement of Income

1. Management remuneration paid by the partnership is not necessarily indicative of management remuneration to be paid by the Company in future years. For the ten months ending December 31, 1969 and the year ending December 31, 1970, the maximum aggregate amount to be paid under employment contracts will be \$148,333 and \$178,000 respectively.
2. The pro forma statement of income gives effect to the following:
 - (a) The elimination of interest on partners' capital since the partners' capital is now represented by issued capital stock of the Company.
 - (b) The elimination of interest income from certain notes since these notes were not purchased by the Company.
 - (c) The provision of income taxes. The business acquired by Leon's Furniture Limited as of March 1, 1969 was previously carried on as a partnership and its income was taxable in the hands of the partners. The amounts provided for income taxes in the pro forma statement represent the income taxes which would have been provided at the rates in effect for the respective periods had the business been carried on by a corporation.

Auditors' Report
On the Statement of Income and Pro Forma Statement of Income

To the Directors of
LEON'S FURNITURE LIMITED:

We have examined the accompanying statement of income and pro forma statement of income of Ablan Leon Distributors, a limited partnership, for the four years ended April 30, 1968 and the ten months ended February 28, 1969. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion these statements present fairly:

- (a) the results of its operations for the four years ended April 30, 1968 and the ten months ended February 28, 1969; and
- (b) the pro forma net income for the four years ended April 30, 1968 and the ten months ended February 28, 1969 after giving effect to the adjustments set out in Note 2;

all in accordance with generally accepted accounting principles applied on a consistent basis.

Hamilton, Ontario
August 13, 1969.

(Signed) WRIGHT, ERICKSON, LEE & MACDONALD
CHARTERED ACCOUNTANTS

Purchasers' Statutory Rights of Withdrawal and Rescission

Sections 63 and 64 of The Securities Act, 1966 (Ontario), Sections 63 and 64 of The Securities Act, 1968 (Manitoba), Sections 70 and 71 of The Securities Act, 1967 (Saskatchewan), and Sections 63 and 64 of The Securities Act, 1967 (Alberta), provide, in effect, that where a security is offered to the public in the course of primary distribution,

- (a) a purchaser will not be bound by a contract for the purchase of such security if written or telegraphic notice of his intention not to be bound is received by the vendor or his agent not later than midnight on the second business day after the prospectus or amended prospectus offering such security is received or is deemed to be received by him or his agent, and
- (b) a purchaser has the right to rescind a contract for the purchase of such security, while still the owner thereof, if the prospectus or any amended prospectus offering such security contains an untrue statement of a material fact or omits to state a material fact necessary in order to make any statement therein not misleading in the light of the circumstances in which it was made, but no action to enforce this right can be commenced by a purchaser after the expiration of 90 days from the later of the date of such contract or the date on which such prospectus or amended prospectus is received or is deemed to be received by him or his agent.

Reference is made to the aforesaid Acts for the complete text of the provisions under which the foregoing rights are conferred.

Sections 61 and 62 of the Securities Act, 1967 (British Columbia) provide in effect, that where a security is offered to the public in the course of primary distribution,

- (a) a purchaser has a right to rescind a contract for the purchase of a security, while still the owner thereof, if a copy of the last prospectus, together with financial statements and reports and summaries of reports relating to the securities as filed with the British Columbia Securities Commission, was not delivered to him or his agent prior to delivery to either of them of the written confirmation of the sale of the securities. Written notice of intention to commence an action for rescission must be served on the person who contracted to sell within 60 days of the date of delivery of the written confirmation, but no action shall be commenced after the expiration of three months from the date of service of such notice; and
- (b) a purchaser has the right to rescind a contract for the purchase of such security, while still the owner thereof, if the prospectus or any amended prospectus offering such security contains an untrue statement of a material fact or omits to state a material fact necessary in order to make any statement therein not misleading in the light of the circumstances in which it was made, but no action to enforce this right can be commenced by a purchaser after expiration of 90 days from the date of such contract or the date on which such prospectus or amended prospectus is received or is deemed to be received by him or his agent.

Reference is made to the said Act for the complete text of the provisions under which the foregoing rights are conferred.

Certificate of the Company

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by the prospectus as required by Part VII of the Securities Act, 1967 (British Columbia), Part 7 of the Securities Act, 1967 (Alberta), Part VIII of The Securities Act, 1967 (Saskatchewan), Part VII of the Securities Act, 1968 (Manitoba), Part VII of The Securities Act, 1966 (Ontario) and by the respective regulations thereunder, and by Section 13 of the Securities Act (New Brunswick).

Toronto, August 13, 1969

(Signed) LEWIE LEON
Chief Executive Officer

(Signed) MARJORIE LEON
Chief Financial Officer

On behalf of the Board of Directors

(Signed) ANTHONY LEON
Director

(Signed) E. LEON
Director

Directors

JOSEPH LEON
GEORGE LEON
RICHARD ELIAS SHIBLEY

} By their attorney
(Signed) ANTHONY LEON

(Signed) ANTHONY LEON
(Signed) LEWIE LEON
(Signed) EDWARD LEON
(Signed) THOMAS J. ORMESHER

Sponsors

(Signed) LEWIE LEON	Ablan Leon (1964) Limited
(Signed) EDWARD LEON	by (Signed) ANTHONY LEON
(Signed) ANTHONY LEON	President
	by (Signed) MARJORIE LEON
	Assistant Secretary-Treasurer
The Lewie Leon Family Trust	The Anthony Leon Family Trust
by (Signed) T. G. SPENCER	by (Signed) T. G. SPENCER
Trustee	Trustee
by (Signed) MARJORIE LEON	by (Signed) MARJORIE LEON
Trustee	Trustee
The Edward Leon Family Trust	The Joseph M. Leon Family Trust
by (Signed) T. G. SPENCER	by (Signed) T. G. SPENCER
Trustee	Trustee
by (Signed) MARJORIE LEON	by (Signed) MARJORIE LEON
Trustee	Trustee
The George Leon Family Trust	The George Leon Trust
by (Signed) T. G. SPENCER	by (Signed) T. G. SPENCER
Trustee	Trustee
by (Signed) MARJORIE LEON	by (Signed) MARJORIE LEON
Trustee	Trustee
The Joseph M. Leon Trust	
by (Signed) T. G. SPENCER	
Trustee	
by (Signed) MARJORIE LEON	
Trustee	

Certificate of the Underwriter

To the best of our knowledge, information and belief, the foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by Part VII of the Securities Act, 1967 (British Columbia), Part 7 of The Securities Act, 1967 (Alberta), Part VIII of The Securities Act, 1967 (Saskatchewan), Part VII of the Securities Act, 1968 (Manitoba), Part VII of The Securities Act, 1966 (Ontario) and by the respective regulations thereunder, and by Section 13 of the Securities Act (New Brunswick).

Toronto, August 13, 1969

Burns Bros. and Denton Limited

by: (Signed) A. M. JARVIS

The following includes the names of all persons having an interest directly or indirectly to the extent of not less than 5% in the capital of Burns Bros. and Denton Limited: C. F. W. Burns, L. C. Burns, E. S. Miles, D. E. Boxer, and P. B. M. Eby.

16. HEAD AND OTHER OFFICES

The head office of the Company is located at 1 Gordon MacKay Road, Toronto, Ontario. The Company has no other offices other than the retail facilities described on page 4 of the Prospectus.

17. TRANSFER AGENT

The transfer agent of the Company is National Trust Company, Limited at its offices in Vancouver, Calgary, Winnipeg, Toronto and Montreal. Share certificates are mutually interchangeable.

18. TRANSFER FEE

No fee is charged on stock transfers other than customary Government stock transfer taxes.

19. REGISTRAR

The registrar of the Company is National Trust Company, Limited.

20. AUDITORS

The auditors of the Company are Clarkson, Gordon & Co., Chartered Accountants, 15 Wellington Street West, Toronto, Ontario.

21. DIRECTORS AND OFFICERS

The names and home addresses in full of the directors and officers of the Company, the positions or offices in the Company held by each, and the principal occupation of each during the past five years are as follows:

<u>Name and Address</u>	<u>Position</u>	<u>Principal Occupation</u>
Lewis Leon 16 Carousel Court Toronto, Ontario	Director and President	President and Chief Executive Officer of the Company
Thomas Anthony Leon 33 Old English Lane Thornhill, Ontario	Director and Vice-President	Vice-President of Company
Edward Michael Leon 27 Thornlea Road Thornhill, Ontario	Director	Merchandise Manager of Company
George Leon 55 Northcote Avenue Welland, Ontario	Director	Retired
Joseph Michael Leon 70 Parkway Drive Welland, Ontario	Director	Doctor of Medicine
Marjorie Leon 16 Carousel Court Toronto, Ontario	Secretary-Treasurer	Secretary-Treasurer of Company
Thomas Joseph Ormesher 44 Laurelleaf Road Thornhill, Ontario	Director	Investment dealer and Director, Burns Bros. and Denton Limited
Richard Elias Shibley 277 Oriole Parkway Toronto, Ontario	Director	Barrister, Partner in Shibley, Richton & McCutcheon

Lewie Leon, President, has been Manager of Stores for the Company and the predecessor businesses for the past five years.

Thomas Anthony Leon, a director and Vice-President, has been the President of Ablan Leon (1964) Limited for the past five years.

Edward Michael Leon, a director, has been the Merchandise Manager and a buyer for the Company and the predecessor businesses for the past five years.

Marjorie Leon, Secretary-Treasurer, has been the Assistant Secretary of Ablan Leon (1964) Limited for the past five years.

Thomas Joseph Ormesher, a director, has been a director of Burns, Bros. and Denton Limited for the past two years, and prior to that time was an employee of that company.

22. CERTIFICATE

Pursuant to a resolution duly passed by its Board of Directors, the applicant Company hereby applies for listing the above-mentioned securities on The Toronto Stock Exchange and the undersigned officers hereby certify that the statements and representations made in this application and in the documents submitted in support thereof are true and correct.

LEON'S FURNITURE LIMITED



Per: "L. LEON",
President

Per: "MARJORIE LEON",
Secretary

CERTIFICATE OF UNDERWRITER

To the best of my knowledge, information and belief, all of the statements made in this application and in the documents submitted in support thereof are true and correct.

BURNS BROS. AND DENTON LIMITED

Per "J. C. MURPHY"

DISTRIBUTION OF SHARES WITHOUT PAR VALUE AS OF OCTOBER 27, 1969

Shares		Shares
7	..... Holders of 1 — 24 share lots	7
15	..... " " 25 — 99 " "	760
82	..... " " 100 — 199 " "	8,300
65	..... " " 200 — 299 " "	13,200
24	..... " " 300 — 399 " "	7,325
17	..... " " 400 — 499 " "	6,800
34	..... " " 500 — 999 " "	18,475
45	..... " " 1000 — up " "	1,112,133
<u>289</u>	Shareholders	<u>1,167,000</u>
	Total shares	